

DOCKET FILE COPY ORIGINAL



Albert M. Lewis, Esq.
Federal Government Affairs
Vice President

Suite 1000
1120 20th Street, N.W.
Washington, DC 20036
202 457-2009
FAX 202 457-2127

EX PARTE OR LATE FILED

January 5, 1998

Ms. Magalie Roman Salas, Secretary
Federal Communications Commission
Office of the Secretary
1919 M. Street, NW Room 200
Washington, DC 20554

RECEIVED

JAN - 5 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Ex parte - CC Docket No. 96-45, In the Matter of
Federal-State Joint Board on Universal Service

Dear Ms. Salas:

AT&T Corp. ("AT&T") hereby responds to the Public Notice (DA 97-2713) released by the Commission on December 30, 1997. AT&T's policy is to comply fully with the Commission's ex parte rules (47 C.F.R. Sec. 1.1200 et seq.), including the disclosure obligations. AT&T believes that it met those obligations with respect to discussions AT&T had with Commission personnel about the matters that are the subject of this public notice, and it follows that the notice requests disclosure of presentations not required to be disclosed. On that basis, and in response to the public notice, AT&T submits the following.

AT&T's discussions with Commission personnel on the matters that are the subject of the public notice were directed toward potential future AT&T tariff filings, and specifically toward tariffs designed to reflect both the impact of the interstate access charge reforms set to take effect on January 1, 1998 and to recover the costs to AT&T of meeting its anticipated obligations to the new universal service programs established by the Commission at the recommendation of the Federal-State Joint Board. No disclosure of such

No. of Copies rec'd 001
List A B C D E

discussions is required by the Commission's Rules. In response to this public notice, however, AT&T has used its best efforts to identify meetings or telephone conversations with Commission personnel in which matters described in the public notice (e.g., collection caps for federal universal service support mechanisms, timing of implementation of these support mechanisms, or the scope of billing disclosure issues) were discussed.

Enclosed is a list, to the best of AT&T's knowledge, of meetings or telephone conversations in which AT&T personnel and Commission personnel discussed the matters described above. The list includes the date of the meeting or conversation and identifies the participants. In addition, the list denotes if the meeting was face-to-face or by telephone. The matters described in the notice came up in these meetings in three contexts, and the list also indicates the context of each meeting. First, in certain meetings (indicated with a (1) on the enclosed list), Commission personnel identified potential changes to the timing of implementation of federal universal service support mechanisms and asked what impact such changes would have on AT&T's planned tariff filings that would recover AT&T costs associated with its anticipated universal service obligations through separate line items on customers' bills. Specifically, in response to an inquiry as to the effect of a one month delay of interexchange carriers' obligations to make payments to the support mechanisms, AT&T stated that it would not need to have tariffs in effect to recover such costs until the end of December 1997. AT&T also affirmed its intention to comply with the billing disclosure obligations contained in paragraph 855 of the Commission's May 7, 1997 order in CC Docket No. 96-45.

In other meetings (indicated with a (2) on the enclosed list), Commission personnel identified potential changes to the collection caps for the federal universal service support mechanisms for schools and libraries and rural health care providers and asked AT&T to analyze how these suggestions, if implemented, would affect AT&T's future tariff filing plans. The potential change identified by the Commission was to set the cap for the schools and libraries support mechanism at \$625 million for the first six months of 1998 and the cap for the rural health care support mechanism at \$50 million for the first six months of 1998. In response to the Commission's request, AT&T responded that such a change, combined with other anticipated changes to its costs, would make it possible to defer the filing of tariffs to recover such costs from AT&T's residential customers for six months. In certain meetings (indicated with a (2*) on the enclosed list), Commission personnel were informed of the proposed changes that had been identified by other Commission personnel, and of AT&T's analysis of the effect they would have on AT&T's tariff filing plans.

Finally, certain meetings (indicated with a (3) on the enclosed list) were focused on the overall economic impact, on the industry and on AT&T, of both the existing access reform and universal service support mechanisms and the proposed changes thereto identified by Commission personnel. In these meetings, AT&T reviewed the economic analysis supporting its potential tariff filings, and in particular, the extent to which its anticipated universal service fund obligations would exceed projected reductions in access charges and possible ways of reducing the difference. AT&T also responded to Commission questions about how proposed changes would affect its analysis.

Two copies of this Notice are being submitted to the Secretary of the Commission.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Robert M. Lewis".

Enclosure

List of AT&T Meetings with the FCC **Compiled In Response to Public Notice DA 97-2713**

<u>DATE</u> <u>(all 1997)</u>	<u>Commission</u> <u>Participants</u>	<u>AT&T</u> <u>Participants</u>
11/21 (1) (tel)	J. Nakahata	R. Bailey
11/21 (1) (tel)	J. Schlichting	A. Lewis
11/21 (1) (tel)	R. Milkman	R. Bailey
11/22 (1) (tel)	A. R. Metzger	R. Bailey
11/22 (1) (tel)	R. Milkman	R. Bailey
11/23 (1) (tel)	R. Milkman	R. Bailey
11/24 (1) (tel)	R. Milkman	R. Bailey
11/24 (1) (tel)	J. Nakahata	R. Bailey
11/24 (3) (tel)	B. Wimmer	J. Lubin
11/25 (3) (tel)	B. Wimmer	J. Lubin
11/25 (1) (tel)	R. Milkman	R. Bailey
11/26 (3) (tel)	B. Wimmer, J. Garcia	J. Lubin
12/1 (2, 3) (mtg)	J. Schlichting, B. Wimmer	J. Lubin, A. Lewis
12/1 (2*) (mtg)	P. Gallant	J. Lubin, A. Lewis
12/2 (2*) (mtg)	K. King	J. Lubin, A. Lewis
12/2 (2) (tel)	R. Milkman	R. Bailey
12/2 (3) (tel)	B. Wimmer	J. Lubin

DATE (all 1997)	Commission Participants	AT&T Participants
12/3 (2) (tel)	R. Milkman	R. Bailey
12/3 (3) (tel)	B. Wimmer	J. Lubin
12/3 (2, 3) (mtg)	J. Schlichting, B. Wimmer	J. Lubin, A. Lewis
12/4 (3) (tel)	B. Wimmer	J. Lubin
12/4 (2) (mtg)	A. R. Metzger, R. Milkman	M. Rosenblum, R. Bailey
12/5 (2) (mtg)	R. Welch, R. Milkman	R. Bailey, J. Lubin A. Lewis
12/5 (2) (tel)	J. Nakahata	M. Rosenblum
12/5 (2) (tel)	J. Nakahata	R. Bailey
12/5 (2) (tel)	J. Schlichting	A. Lewis
12/8 (3) (tel)	B. Wimmer	J. Lubin
12/9 (2, 3) (tel)	R. Welch	R. Bailey
12/10 (3) (tel)	B. Wimmer	J. Lubin
12/10 (2, 3) (tel)	R. Welch	R. Bailey
12/11 (3) (tel)	B. Wimmer	J. Lubin
12/11 (2) (tel)	J. Nakahata	M. Rosenblum
12/12 (2) (tel)	J. Nakahata	M. Rosenblum
12/12 (2) (tel)	T. Power	R. Bailey
12/12 (3) (tel)	B. Wimmer	J. Lubin
12/13 (2) (tel)	J. Nakahata	M. Rosenblum

DATE
(all 1997)**Commission**
Participants**AT&T**
Participants

12/13 (2, 3) (tel)

T. Power

R. Bailey

12/13 (2) (tel)

J. Nakahata

R. Bailey

12/15 (2, 3) (tel)

J. Schlichting

A. Lewis

12/15 (3) (tel)

B. Wimmer

J. Lubin

12/15 (2, 3) (tel)

T. Power

R. Bailey